

Impact of labour welfare in agriculture sector; In indian scenario

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Abstract:

Labour welfare in agriculture refers to various measures aimed at enhancing the working conditions, safety, health, and general well-being of agricultural workers. These measures include fair wages, safe work environments, access to healthcare and education, and social security provisions. One of the key goals of the Five-Year Plan is to provide more job opportunities and improve the living standards of the rural population, particularly agricultural labourers and marginalized groups, helping them reach the same level as others in society. A notable characteristic of India's rural economy is the increasing number of agricultural workers, including cultivators and labourers involved in crop production. Issues such as underemployment, underdevelopment, and a surplus population are evident in the daily lives and living conditions of agricultural workers. Labor is a crucial factor in boosting production in traditional agriculture. In the early stages of development, with land being abundant, an increase in labour supply resulted in more land being cleared for cultivation. Approximately 70% of the nation's population relies on the agriculture sector, either directly or indirectly, for their livelihood. In India, approximately 55 percent of the total land area is used for cultivating crops and pastures, which is significantly higher compared to countries like Canada 4 % China 12%, and Japan 15%. Recently union budget announced many government policies and budget allocation for the welfare of labourers and numbers of institutional credit established to facilities labourers

Key words: - Labour welfare, agriculture, Indian economy,

Introduction:

The Indian economy heavily relies on agriculture, and even 70 years after independence, the livelihood of Indian farmers is still largely dependent on the monsoon. A good monsoon is crucial for better harvests and higher production. Approximately 70% of the nation's population relies on the agriculture sector, either directly or indirectly, for their livelihood and approximately 58 percent of total employment in the country comes from the agricultural sector. Agriculture contributes about 18 percent to India's GDP (Alam, A. (2020). *Upliftment of agriculture labour through labour laws.*) Agriculture is the foundation of India's economy, with over 70% of the population relying on the agricultural sector for their livelihood. Labor plays a crucial role in agricultural production, from planting to harvesting. However, like other labour-abundant countries, India is currently facing a challenge of agricultural labour shortages. (The Pharma Innovation Journal 2022; SP-11(4): 2087-2090) Labor in agriculture has unique characteristics: the objects of labour are living organisms (plants and animals) that are affected by natural and climatic conditions, and the work performed on them is governed by certain biological laws. The

same level of qualification and capital-labour ratio can produce varying outcomes depending on the natural environment. Therefore, the results of labour in agriculture are influenced by both natural factors (soil, climate, and biology) as well as economic processes. The amount of working time serves as an indicator of labour costs and effort involved. (Babenko, A., & Vasilyeva, O. (n.d.). Factors of labour productivity growth in agriculture of the agrarian region. *University of Customs and Finance, Ukraine; Zaporozhye National Technical University.*) The Economic Survey 2024-25 highlights that the government has not been successful in transitioning people from the agriculture sector to the services or manufacturing sectors. According to the survey, agriculture continues to be the dominant sector for employment. Its share in employment was 44.1 percent in 2017-18 and has risen to 46.1 percent in 2023-24. The survey also points out a notable rise in the proportion of women workers in agriculture. Women's participation has increased from 57 percent in 2017-18 to 64.4 percent in 2023-24, while men's involvement in the sector has decreased from 40.2 percent to 36.3 percent during the same period. Agriculture contributes approximately 16 percent to the nation's GDP and provides employment for around 46.1 percent of the population. (The Economic Survey 2024-25)

Problems of Agriculture Labour:

Traditional Indian farming has always been labour-intensive, unlike the large-scale mechanized farming seen in countries like the USA. Indian farmers have traditionally relied on old cultivation methods, organic fertilizers, and pesticides, as well as seeds that have been improved through natural selection rather than genetic engineering. Agricultural labourers face significant challenges, including unemployment and underemployment. They often remain jobless for many days throughout the year due to a lack of work on the farms, and there are few alternative employment opportunities. The wages and family incomes of agricultural workers in India are very low. Although wages began to rise after the Green Revolution, they did not increase at the same rate as the rising prices. Currently, labourers earn around Rs. 150 to 200 per day under the MGNREGA in rural areas. In comparison, minimum wage in Bihar effective from April 2018, is Rs. 237, Rs. 210 in Jharkhand, and Rs. 326 in Haryana. Women agricultural workers generally face a greater workload and are paid less than their male counterparts.

Indebtedness: Due to the lack of a proper banking system in rural areas and the lengthy approval process for loans by commercial banks, farmers often turn to moneylenders and landlords for loans at extremely high interest rates, which traps them in debt.

Increase in Labor Migration: Although the Green Revolution created more lucrative wage employment opportunities in areas with assured irrigation, it had little impact on rain-fed areas or regions where agriculture relies on the monsoon.

Government Initiatives: The government has taken various steps to address these issues.

Minimum Wages Act: Act was enacted in 1948, and since then, there has been a constant need to extend its application to agriculture. This suggests that the Act does not currently cover the agricultural sector.

Elimination of Bonded Labour: Since Independence, efforts have been made to eliminate the practice of bonded labour, as it is exploitative, inhumane, and goes against the principles of social justice. The Indian Constitution, under its Fundamental Rights section, explicitly prohibits human trafficking and forced labour, stating that such practices are illegal and punishable under the law.

Provision for Accommodation: Several states have enacted laws to provide accommodation for farmworkers. The ceiling on landholding plays a role in this effort. The Bhoodan movement is another initiative where landowners voluntarily donate land to landless individuals. Co-operative farming is another approach, allowing landless people to improve their situation by acquiring land.

Employment Guarantee Scheme: Various rural employment schemes have been introduced, such as the Comprehensive Rural Employment Programme (CSRE), Mahatma Gandhi National Rural Employment Guarantee Act, and the Jawahar Gram Samridhi Yojana (JGSY), all aimed at providing employment opportunities in rural areas.

Objectives:

1. To explore the different schemes and initiatives introduced by the Government of India for the benefit of farmers.
2. To understand the significance and necessity of these schemes in the agricultural sector.

Methodology

The research has been carried out using secondary data sources, including research papers, academic journals, theses, newsletters, official websites, and newspapers. These materials were used to ensure a comprehensive and effective study.

Government of India Schemes in Agriculture

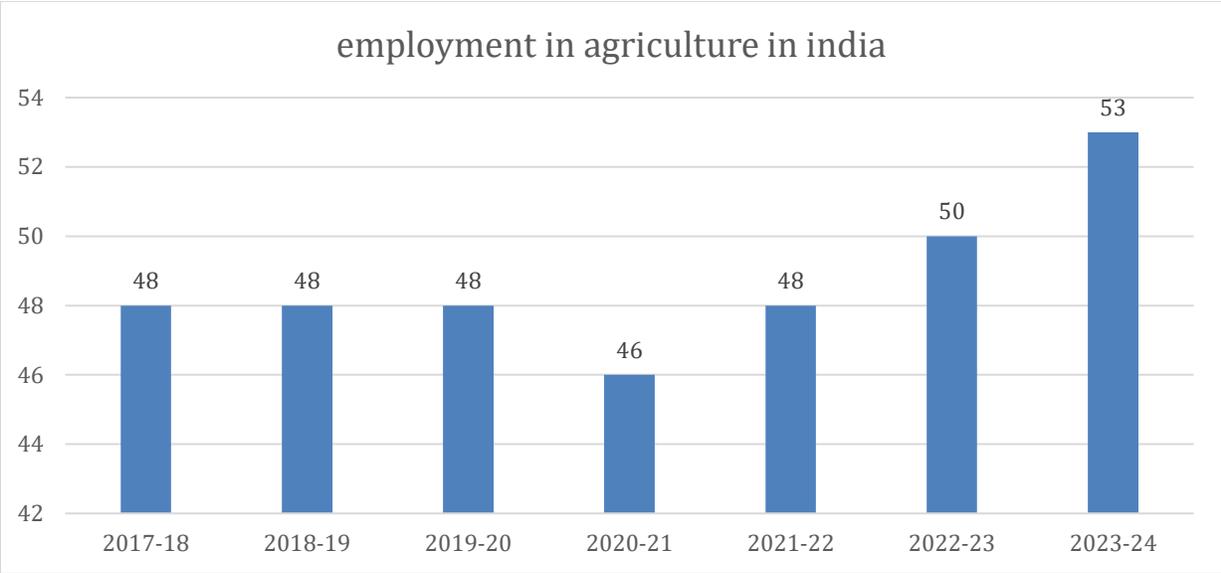
Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)- enacted by the Indian government in 2005, aims to uphold the "right to work" for rural citizens. It guarantees at least 100 days of unskilled manual labour annually to adult members of eligible rural households. The primary goal of the scheme is to provide employment opportunities and enhance the financial well-being of people in rural areas. According to data from the scheme's official website, around 15 million individuals are engaged in work under the program at approximately 1.4 million worksites on any given day.

However, the scheme has witnessed a consistent decline in its budget allocation. In 2023–24, the government reduced the budget to ₹60,000 crore, a significant drop from ₹89,400 crore in 2022–23. This marks the lowest allocation in two years, with the budget standing at ₹98,468 crore and ₹89,400 crore in 2021–22 and 2022–23, respectively. After its implementation, MGNREGA has generated over 31 billion person-days of employment and incurred a cumulative expenditure of more than ₹6.4 lakh crore as a demand-driven initiative.

Additionally, since 2006, the scheme has contributed to the development of over 30 million water conservation assets across rural India. This translates to an average of 50 water-related structures per village, based on the 2011 Census, which recorded approximately 600,000 villages nationwide.

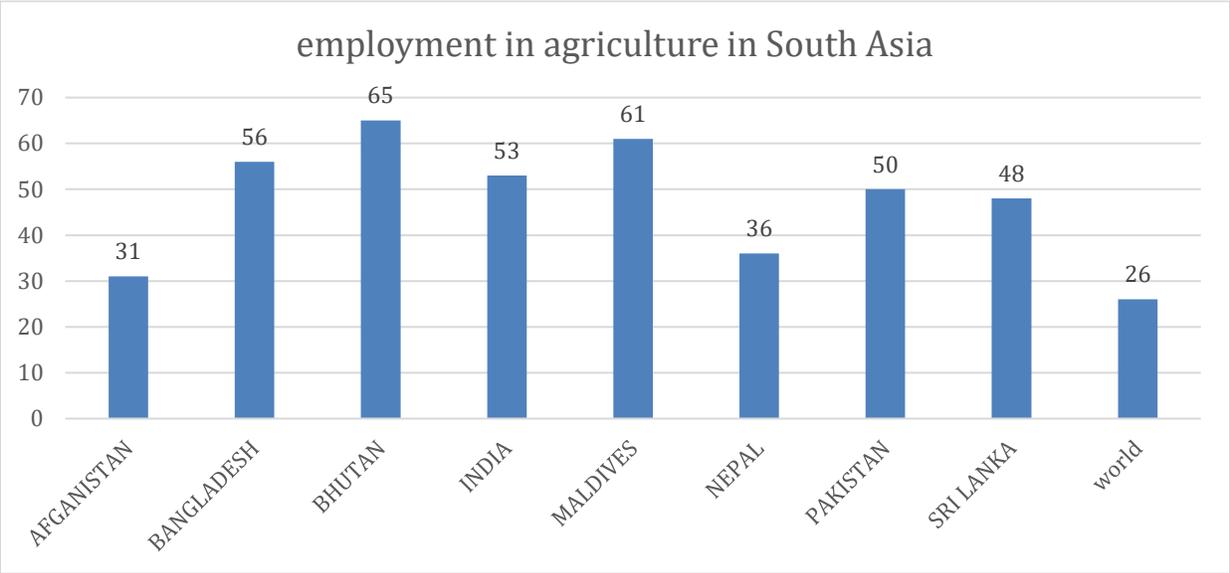
2023-24	60000
2022-23	89400
2021-22	98468

Source: - Indian financial statement



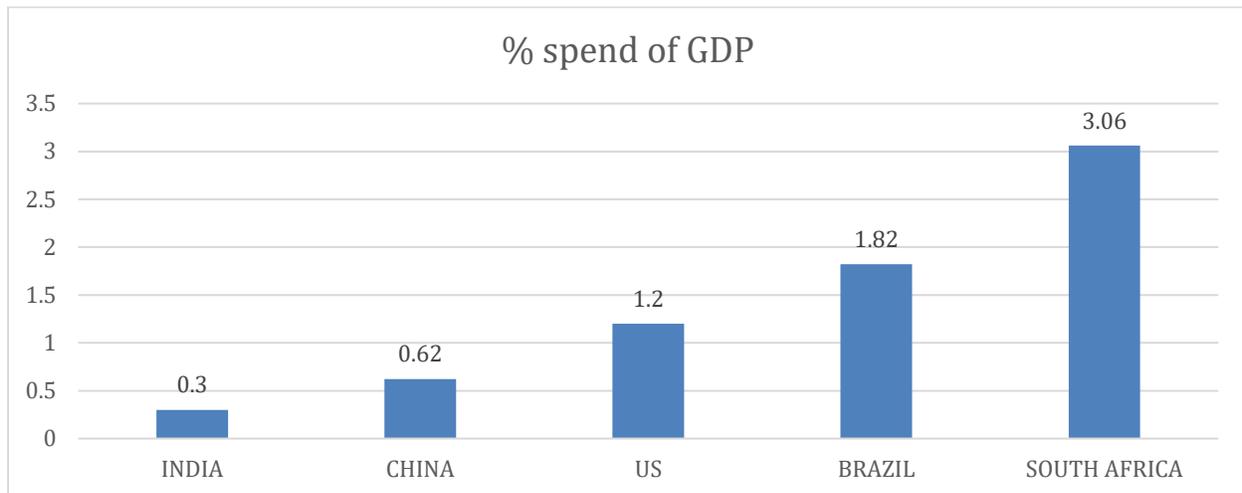
Source: - ILO 2024

The bar chart illustrates the trend in agricultural employment in India from 2017-18 to 2023-24. For the first three years (2017-18 to 2019-20), employment in the agriculture sector remained steady at 48%. However, in 2020-21, there was a slight dip to 46%, possibly due to disruptions caused by the COVID-19 pandemic, which affected various sectors including agriculture. The sector rebounded in 2021-22, with employment returning to 48%, and then witnessed a steady rise in the following years. Employment increased to 50% in 2022-23 and further to 53% in 2023-24, indicating a significant shift towards agricultural work. This upward trend may reflect a combination of factors such as reverse migration, economic shifts, or increased reliance on agriculture for livelihood in rural areas.



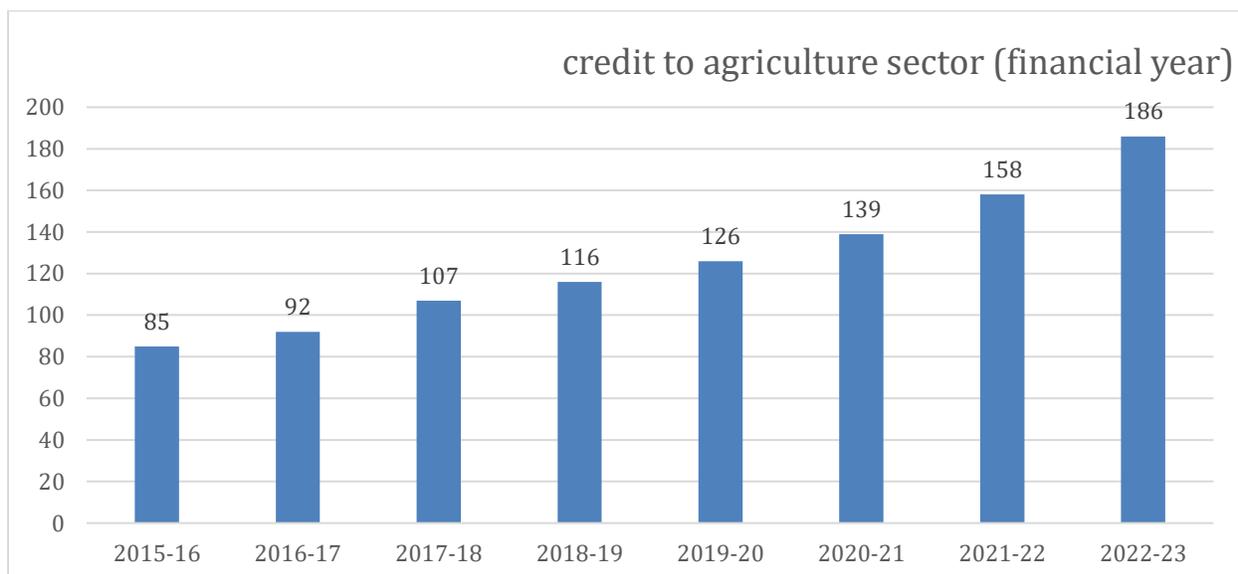
Source: - ILO 2024

The bar chart presents a comparison of agricultural employment across South Asian countries alongside the global average. Among the listed nations, Bhutan has the highest percentage of its workforce employed in agriculture at 65%, followed closely by the Maldives at 61%, and Bangladesh at 56%. India also has a significant share, with 53% of its population working in the agriculture sector. Pakistan and Sri Lanka follow with 50% and 48% respectively, indicating a strong reliance on agriculture in these countries as well. On the lower end, Nepal has 36%, while Afghanistan shows a comparatively low figure at 31%. The global average, represented as "world" in the chart, stands at just 26%, highlighting how heavily South Asian countries depend on agriculture relative to the rest of the world. This suggests that agriculture remains a critical source of employment and livelihood in the region, reflecting both economic structures and developmental stages.



Source:- Agriculture science & tech indicator

The bar chart illustrates the percentage of GDP spent by five countries—India, China, the United States, Brazil, and South Africa. Among these, South Africa allocates the highest share of its GDP, spending 3.06%, indicating a strong investment in the sector represented (likely education, health, or R&D, depending on context). Brazil follows with 1.82%, and the United States spends 1.2%. China allocates 0.62%, while India spends the least at just 0.3% of its GDP. This comparison shows a significant disparity in spending priorities or capacities among these nations, with India investing far less relative to its GDP than the others. The chart underscores the varying national priorities or developmental strategies when it comes to allocating economic resources.



Source: - economic survey 2022-23

The bar chart displays the trend of credit disbursed to the agriculture sector in India over the financial years from 2015-16 to 2022-23. It shows a consistent and significant rise in credit over this period. Starting at ₹85 lakh crore in 2015-16, the amount increased steadily each year — reaching ₹92 lakh crore in 2016-17, ₹107 lakh crore in 2017-18, and ₹116 lakh crore in 2018-19. The growth continued with ₹126 lakh crore in 2019-20, followed by ₹139 lakh crore in 2020-21, and ₹158 lakh crore in 2021-22. The highest jump is observed in 2022-23, where credit reached ₹186 lakh crore. This consistent upward trend indicates a growing emphasis on supporting the agricultural sector through increased financial assistance, likely aimed at enhancing productivity, ensuring food security, and addressing the economic challenges faced by farmers.

ii. Pradhan Mantri Kisan Maandhan Yojana (PMKYM): -

From August 2024, a total of 23.38 lakh farmers have registered under the Pradhan Mantri Kisan Maandhan Yojana (PM-KMY), with Bihar and Jharkhand recording the highest number of enrolments. Other states like Uttar Pradesh, Chhattisgarh, and Odisha have also shown significant participation, with over 2.5 lakh, 2 lakh, and 1.5 lakh registrations respectively.

The PM-KMY is an optional pension program designed for small and marginal farmers, where participants make monthly payments into a pension fund. Farmers between the ages of 18 and 40 can contribute between ₹55 and ₹200 each month until they turn 60. Upon reaching 60, eligible beneficiaries receive a monthly pension of ₹3,000, subject to certain exclusion criteria. The Life Insurance Corporation of India (LIC) manages the pension fund, while registrations are carried out through Common Service Centres (CSCs) and State Government mechanisms.

Eligibility for the scheme is limited to farmers owning up to 2 hectares of cultivable land, as recorded in state or union territory land records as of August 1, 2019. By August 6, 2024, 23.38 lakh farmers had enrolled, with Bihar leading at over 3.4 lakh registrations and Jharkhand following closely with more than 2.5 lakh.

Pradhan Mantri Shram Yogi Maan- Dhan (PM-SYM)-

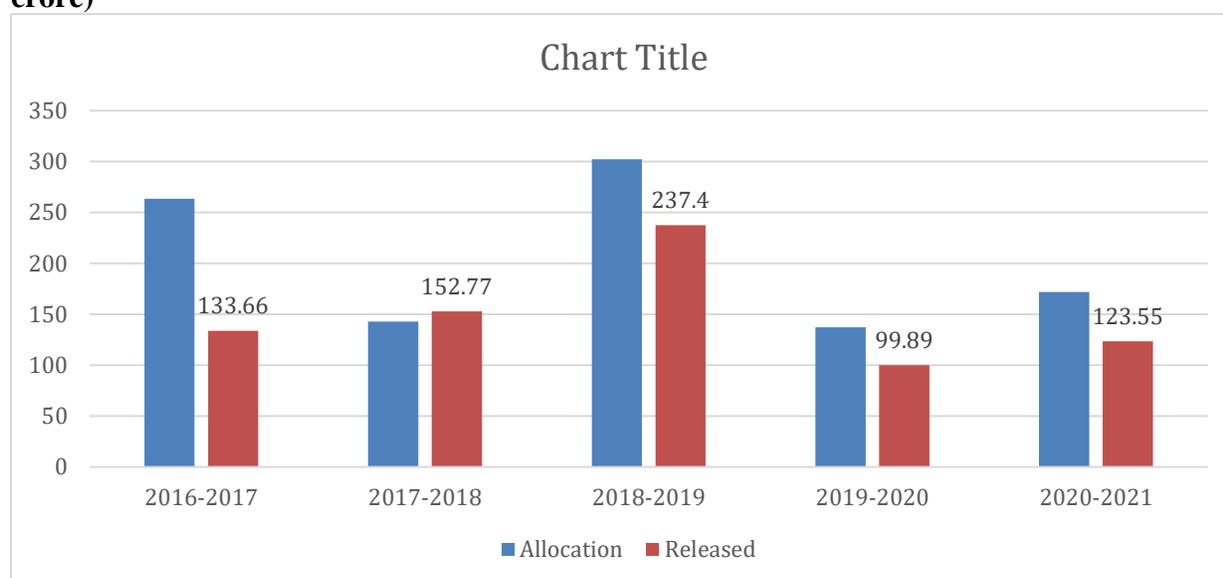
The scheme offers a monthly pension of Rs. 3,000 after the individual reaches the age of 60. Workers between the ages of 18 and 40, earning Rs. 15,000 or less per month and not being members of EPFO, ESIC, or NPS (government-funded), are eligible to join the PM-SYM Scheme. Under this program, the beneficiary pays 50% of the monthly contribution, while the Central Government matches this amount with an equal contribution. The Life Insurance Corporation (LIC), acting as the fund manager, receives the government's contribution for the scheme.

The Soil Health Card (SHC) Scheme-

Launched in 2014-15, the initiative aims to provide farmers with valuable information on soil nutrient status and guidance for enhancing soil health and fertility. Recent enhancements include the integration of the Soil Health Card (SHC) portal with Geographic Information System (GIS) technology, allowing soil test results to be geographically mapped. A mobile app has also been introduced to streamline soil sample collection, featuring location auto-selection, QR code generation, and automatic integration of test results into the portal. This updated system has been in operation since April 2023, with training sessions held for state officials.

Since 2022-23, the SHC Scheme has been incorporated into the Rastriya Krishi Vikas Yojana (RKVY) under the "Soil Health & Fertility" component. In June 2023, guidelines were introduced for establishing Village Level Soil Testing Labs (VLSTLs), enabling rural youth, Self-Help Groups (SHGs), Farmer Producer Organizations (FPOs), and others to set up their own labs. Entrepreneurs aged 18-27 can apply for this opportunity through district agricultural offices. VLSTLs are trained in soil testing and SHC generation, focusing on educating farmers on fertilizer and crop recommendations. Additionally, high-resolution soil mapping is being conducted at a 1:10,000 scale using satellite data and field surveys to create geo-spatial Soil Resource Information, separate from the SHC data.

Funds Allocation, Released and Utilized under Soil Health Cards Scheme in India (Rs. In crore)



Source: Indiatats

The Soil Health Card Scheme in India saw fluctuations in fund allocation and releases between 2016 and 2021. The allocation peaked at Rs. 302.25 crore in 2018–2019 but decreased to Rs. 137.22 crore in 2019–2020. Similarly, releases followed the allocation trends, reaching a high of Rs. 237.4 crore in 2018–2019 and a low of Rs. 99.89 crore in 2019–2020. These variations reflect a flexible approach to soil health management, with funding adjustments made based on operational requirements.

Deen Dayal Upadhyay Gramin Kaushal Yojana: -

The program is presently operational in 27 states and 4 union territories, aiming to offer employment opportunities to underprivileged rural youth. More than 877 Project Implementation Agencies (PIAs) are engaged in training these individuals across around 616 job roles at over 2,369 training centres. Since its inception, the initiative has trained 14.08 lakh candidates, out of which 8.39 lakh have secured successful job placements.

Gareeb Kalyan Rojgar Abhyan: -

The Garib Kalyan Rojgar Abhiyaan (GKRA) was a 125-day campaign initiated by the Government of India on June 20, 2020, designed to offer prompt employment and livelihood support to migrant workers who returned to their home villages as a result of the COVID-19 pandemic. The initiative focused on 116 districts in six states—Bihar, Jharkhand, Madhya Pradesh, Odisha, Rajasthan, and Uttar Pradesh—that saw a large number of migrant workers returning home.

The Abhiyaan focused on 25 categories of public works to create infrastructure and generate employment. By its conclusion on October 22, 2020, GKRA had achieved substantial outcomes:

- **Employment Generation:** Approximately 50.78 crore person days of employment were generated during the campaign.
- **Financial Expenditure:** A total expenditure of ₹39,293 crore was incurred to support the various initiatives under the Abhiyaan

The program also led to the creation of numerous rural infrastructures, including water conservation structures, rural housing, cattle sheds, farm ponds, and community sanitary complexes. Additionally, efforts were made to enhance internet connectivity in Gram Panchayats and provide skill training through Krishi Vigyan Kendras.

It's important to note that the data available pertains to the period up to October 2020. For the most recent information or any subsequent initiatives, it would be advisable to consult official releases from the Ministry of Rural Development or other relevant government sources.

(viii) Deen Dayal Antyodaya Yojana-

The goal of the program is to implement rural poor women into Self Help Groups (SHGs) and provide continuous support to help them achieve significant increases in income over time. The efforts are aimed at improving their quality of life and helping them escape extreme poverty. By June 30, 2024, the mission had been rolled out in 7,135 blocks spanning 742 districts across 28 states and 6 union territories, successfully organizing 10.05 crore women into more than 90.86 lakh Self-Help Groups (SHGs).

PMSVANidhi -

The aim of the PM SVANidhi Scheme is to extend working capital loans without the need for collateral to street vendors, helping them restore their livelihoods that were heavily disrupted by the COVID-19 pandemic. As of August 2, 2023, a total of 2,62,811 loans have been approved under the scheme in the state of Andhra Pradesh. During the financial years 2022-23 and 2023-24 (up to August 2, 2023), 49,534 loans were sanctioned in 2022-23, and 12,097 loans were approved in 2023-24.

Pradhan Mantri Kaushal Vikas Yojana.

Following the successful implementation of PMKVY 1.0, which provided training to over 19 lakh individuals, the scheme was reintroduced in October 2016 with the objective of training one crore youth by the year 2020. Under PMKVY 2.0 (2016-2020), 1.10 crore candidates were trained or oriented. Building on the lessons from these initiatives, the Ministry launched the third phase, PMKVY 3.0, on January 15, 2021, aiming to train 8 lakh youth nationwide. As part of PMKVY 3.0, two specialized initiatives were launched: the Customized Crash Course Programme for COVID Warriors (CCCP for CW), aimed at addressing challenges posed by the COVID-19

pandemic, and the Skill Hub Initiative (SHI), designed to blend vocational training with mainstream education in line with the National Education Policy (NEP) 2020. Under PMKVY 3.0, a total of 7.37 lakh candidates received training, which included 1.20 lakh under CCCP-CW and 1.8 lakh under SHI. The latest phase, PMKVY 4.0, began implementation nationwide from the financial year 2022–2023.

Ayushman Bharat-Pradhan Mantri Jan Arogya Yojana (ABPMJAY)-

Over 14.43 crore ESI beneficiaries and their families are expected to benefit from this collaboration, which aims to enhance access to quality and comprehensive healthcare services across the country. As part of this initiative, the current medical infrastructure under the ESI Scheme—comprising 165 hospitals, 1,590 dispensaries, 105 Dispensary-cum-Branch Offices (DCBOs), and approximately 2,900 empaneled private hospitals—will remain operational to deliver healthcare services.

Conclusion -

In conclusion, prioritizing labour welfare in the agriculture sector is not just a matter of ethics—it is a key driver of sustainable development. Ensuring fair wages, safe working conditions, and social security for agricultural workers leads to a more motivated and productive workforce, while also helping to reduce poverty and social inequality. Although challenges such as high implementation costs, informality in the sector, and lack of awareness persist, addressing these issues through strong policies and stakeholder collaboration can transform agriculture into a more inclusive and resilient sector. Ultimately, the well-being of agricultural workers is integral to the overall growth and success of the farming economy.

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